

COMPANY REGISTRATION NUMBER 3411955

BRIDGESTREET ACCOMMODATIONS LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2014



BRIDGESTREET ACCOMMODATIONS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

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BRIDGESTREET ACCOMMODATIONS LIMITED

STRATEGIC REPORT

YEAR ENDED 31 DECEMBER 2014

BridgeStreet Accommodations Limited is an investment holding company. Its subsidiary companies are leading providers of serviced accommodation aimed at the corporate client.

BridgeStreet Accommodations Limited is a wholly owned subsidiary of Domus BWW UK Holdings Limited. The ultimate holding company is Versa Capital Management LLC, a company incorporated in the United States of America.

The company has continued to make headway in a very difficult economic climate as the value of serviced apartments is increasingly recognised. BridgeStreet has enjoyed another strong financial performance entering new segments in order to maintain high occupancies and unit count. Revenue increased from 2013 by just over £0.5 million; however, profits decreased due to competitive pressures on pricing and increased rental costs due to tight occupancies in London. Average daily rates increased for the eleventh consecutive year in London and SGA expenses showed only a small increase as tight cost measures were implemented.

In May 2013 the subsidiary company BridgeStreet Wardrobe Place Limited received a notice of alteration to the rating list in respect of the apartments at Kings Wardrobe. The effect of the alteration was to place these apartments under assessment of non-domestic rates rather than that of Council Tax assessment, with the new assessment to apply retrospectively from 01 April 2010 onwards. The company is of the view that this new assessment is incorrect and that the apartments should be returned to Council Tax assessment. The company is still currently in the process of gathering all the relevant information required to obtain a legal opinion and to lodge a formal appeal against this within the statutory time limit. As at the date of issue of these financial statements this process is still ongoing and therefore until this has been completed any possible outcomes are unable to be measured at this stage.

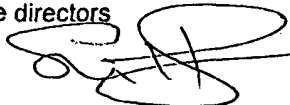
The key financial highlights are as follows:

	Period Ended 2014 £
Turnover	44,773,937
Profit on ordinary activities before taxation	1,312,135
Profit for the year after taxation	947,074
Shareholders' Funds	2,819,203

Principal risks and uncertainties

The company's principal risk arises from the trading performance BridgeStreet Accommodations Limited. This performance relies on the general level of demand from the business and leisure travellers. In order to minimise this risk the business constantly monitors the rates it charges therefore maximising turnover, whilst at the same time closely controlling costs. A less significant risk is the businesses ability to find new properties that reflect the high level of quality we demand in our operation.

Signed on behalf of the directors



S Hinds
Director

Approved by the directors on

BRIDGESTREET ACCOMMODATIONS LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2014

The directors present their report and the financial statements of the group for the year ended 31 December 2014.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £947,074. The directors have not recommended a dividend.

DIRECTORS

The directors who served the company during the year were as follows:

S Worker	
W Dembiec	
J Dunn	(Appointed 27 June 2014)
S Hinds	(Appointed 27 June 2014)
H L Curtis	(Resigned 2 May 2014)
D Gingrich	(Resigned 27 June 2014)

None of the directors had any beneficial interests in the shares of the company or its subsidiaries at any time during the year.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company and of their profit or loss for that year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BRIDGESTREET ACCOMMODATIONS LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2014

AUDITOR

KPMG LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the group's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Registered office:
8 Harewood Row
Marylebone
London
NW1 6SE

Signed on behalf of the directors



S Hinds
Director

Approved by the directors on

BRIDGESTREET ACCOMMODATIONS LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
BRIDGESTREET ACCOMMODATIONS LIMITED (continued)**

YEAR ENDED 31 DECEMBER 2014

We have audited the financial statements of BridgeStreet Accommodations Limited for the year ended 31 December 2014 set out on pages 5 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2014 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

ANDREW TURNER (Senior Statutory Auditor)
For and on behalf of
KPMG LLP
Chartered Accountants & Statutory Auditor

15 Canada Square
London
E14 5GL

30 September 2015

BRIDGESTREET ACCOMMODATIONS LIMITED

GROUP PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2014

	Note	2014 £	2013 £
GROUP TURNOVER	2	44,773,937	44,203,601
Cost of sales		34,768,994	34,129,600
GROSS PROFIT		10,004,943	10,074,001
Administrative expenses		8,694,067	8,646,293
OPERATING PROFIT	3	1,310,876	1,427,708
Interest receivable		1,282	2,713
Interest payable and similar charges	6	(23)	(2,402)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,312,135	1,428,019
Tax on profit on ordinary activities	7	365,061	420,125
PROFIT FOR THE FINANCIAL YEAR	8	<u>£947,074</u>	<u>£1,007,894</u>

All of the activities of the group are classed as continuing.

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account.

The notes on pages 11 to 21 form part of these financial statements.

BRIDGESTREET ACCOMMODATIONS LIMITED
GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 31 DECEMBER 2014

	2014 £	2013 £
Profit for the financial year attributable to the shareholders of the parent company	947,074	1,007,894
Gross exchange differences on the retranslation of net investments and related borrowings	<u>536</u>	<u>34,786</u>
Total gains and losses recognised since the last annual report	<u>£947,610</u>	<u>£1,042,680</u>

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Profit for the financial year	947,074	1,007,894
Equity dividends	-	(1,660,291)
Exchange adjustments	<u>536</u>	<u>36,300</u>
Net addition/(reduction) to shareholders' funds	947,610	(616,097)
Opening shareholders' funds	1,871,593	2,487,690
Closing shareholders' funds	<u>2,819,203</u>	<u>1,871,593</u>

The notes on pages 11 to 21 form part of these financial statements.


BRIDGESTREET ACCOMMODATIONS LIMITED

GROUP BALANCE SHEET

31 DECEMBER 2014

	Note	2014		2013	
		£	£	£	£
FIXED ASSETS					
Intangible assets	10		733,323		953,321
Tangible assets	11		278,607		348,419
Investments	12		644		679
			<u>1,012,574</u>		<u>1,302,419</u>
CURRENT ASSETS					
Debtors	13	5,437,092		3,973,848	
Cash at bank and in hand		<u>1,470,430</u>		<u>867,024</u>	
		6,907,522		4,840,872	
CREDITORS: Amounts falling due within one year	15	<u>4,638,589</u>		<u>3,715,847</u>	
NET CURRENT ASSETS			<u>2,268,933</u>		<u>1,125,025</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,281,507</u>		<u>2,427,444</u>
PROVISIONS FOR LIABILITIES					
Other provisions	18		462,304		555,851
			<u>£2,819,203</u>		<u>£1,871,593</u>
CAPITAL AND RESERVES					
Called up equity share capital	21		1,000,000		1,000,000
Share premium account	22		1,205,000		1,205,000
Other reserves	22		45,277		48,294
Profit and loss account	22		568,926		(381,701)
SHAREHOLDERS' FUNDS			<u>£2,819,203</u>		<u>£1,871,593</u>

These accounts were approved by the directors and authorised for issue on 29 Sept '15 and are signed on their behalf by:



.....
S Hinds

Company Registration Number: 3411955

The notes on pages 11 to 21 form part of these financial statements.

BRIDGESTREET ACCOMMODATIONS LIMITED

COMPANY BALANCE SHEET

31 DECEMBER 2014

	Note	2014		2013	
		£	£	£	£
FIXED ASSETS					
Investments	12		4,409,900		4,409,900
CURRENT ASSETS					
Debtors	13	237,774		253,614	
CREDITORS: Amounts falling due within one year	15	<u>1,797,580</u>		<u>1,797,580</u>	
NET CURRENT LIABILITIES			<u>(1,559,806)</u>		<u>(1,543,966)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,850,094</u>		<u>2,865,934</u>
CAPITAL AND RESERVES					
Called up equity share capital	21		1,000,000		1,000,000
Share premium account	22		1,205,000		1,205,000
Profit and loss account	22		645,094		660,934
SHAREHOLDERS' FUNDS			<u>£2,850,094</u>		<u>£2,865,934</u>

These accounts were approved by the directors and authorised for issue on 29/1/15, and are signed on their behalf by:



.....
S Hinds

Company Registration Number: 3411955

The notes on pages 11 to 21 form part of these financial statements.

BRIDGESTREET ACCOMMODATIONS LIMITED

GROUP CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2014

	2014		2013	
	£	£	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES		1,058,679		2,425,116
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
Interest received	1,282		2,713	
Interest paid	<u>(23)</u>		<u>(2,402)</u>	
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		1,259		311
TAXATION		(360,941)		(636,556)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT				
Payments to acquire tangible fixed assets	(83,105)		(103,598)	
Acquisition of investments	<u>(7)</u>		<u>(8)</u>	
NET CASH OUTFLOW FOR CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		(83,112)		(103,606)
EQUITY DIVIDENDS PAID		-		(1,660,291)
CASH INFLOW BEFORE FINANCING		<u>615,885</u>		<u>24,974</u>
FINANCING				
Capital element of hire purchase	(3,484)		(42,580)	
NET CASH OUTFLOW FROM FINANCING		(3,484)		(42,580)
INCREASE/(DECREASE) IN CASH		<u>£612,401</u>		<u>£(17,606)</u>

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2014	2013
	£	£
Operating profit	1,310,876	1,427,708
Amortisation	219,998	219,998
Depreciation	148,514	142,562
(Increase)/decrease in debtors	(1,512,007)	895,290
Increase/(decrease) in creditors	984,845	(298,907)
(Decrease)/increase in provisions	<u>(93,547)</u>	<u>38,465</u>
Net cash inflow from operating activities	<u>£1,058,679</u>	<u>£2,425,116</u>

The notes on pages 11 to 21 form part of these financial statements.

BRIDGESTREET ACCOMMODATIONS LIMITED

GROUP CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2014

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2014		2013	
	£	£	£	£
Increase/(decrease) in cash in the period	612,401		(17,606)	
Cash outflow in respect of hire purchase	<u>3,484</u>		<u>42,580</u>	
Change in net funds resulting from cash flows		615,885		24,974
Translation differences		(8,995)		19,338
Movement in net funds in the period		<u>606,890</u>		<u>44,312</u>
Net funds at 1 January 2014		<u>863,540</u>		<u>819,229</u>
Net funds at 31 December 2014		<u><u>£1,470,430</u></u>		<u><u>£863,540</u></u>

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Jan 2014 £	Cash flows £	Exchange movement £	At 31 Dec 2014 £
Net cash:				
Cash in hand and at bank	<u>867,024</u>	<u>612,401</u>	<u>(8,995)</u>	<u>1,470,430</u>
Debt:				
Hire purchase agreements	<u>(3,484)</u>	<u>3,484</u>	<u>-</u>	<u>-</u>
Net funds	<u><u>£863,540</u></u>	<u><u>£615,885</u></u>	<u><u>£(8,995)</u></u>	<u><u>£1,470,430</u></u>

The notes on pages 11 to 21 form part of these financial statements.

BRIDGESTREET ACCOMMODATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over twenty years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 Companies Act 2006.

Turnover

Turnover represents the amounts derived from the provision of goods and services and is stated net of value added tax and discounts given.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - 20 years straight line

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Improvements	- 7 years straight line
Office & Apartments Furniture & Equipment	- 3 or 5 years straight line
Motor Vehicles	- 5 years straight line
Computer Equipment	- 3 years straight line

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the group profit and loss account at a constant rate of charge on the balance of capital repayments outstanding.

BRIDGESTREET ACCOMMODATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES *(continued)*

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight line basis over the shorter of the lease term and the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, except as otherwise required by FRS 19.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

The assets and liabilities and profit and loss accounts of overseas subsidiary are translated at the closing exchange rates. Profit and loss accounts of such undertakings are consolidated at the average rates of exchange during the year. Gains and losses arising on these translations are taken to reserves, net of exchange differences arising on related foreign currency borrowings.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

BRIDGESTREET ACCOMMODATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the group.

An analysis of turnover is given below:

	2014	2013
	£	£
United Kingdom	40,099,110	38,174,744
Europe	<u>4,674,827</u>	<u>6,028,857</u>
	<u>£44,773,937</u>	<u>£44,203,601</u>

3. OPERATING PROFIT

Operating profit is stated after charging:

	2014	2013
	£	£
Amortisation of intangible assets	219,998	219,998
Depreciation of owned fixed assets	148,514	142,562
Auditor's remuneration		
- as auditor	44,000	43,968
Operating lease costs:		
- Land and buildings	17,467,373	18,035,251
- Other	11,447	15,956
Net loss on foreign currency translation	<u>64,928</u>	<u>15,587</u>

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial year amounted to:

	2014	2013
	No	No
Housekeeping and guest services staff	150	178
Sales staff	35	34
Administrative staff	24	26
	<u>209</u>	<u>238</u>

The aggregate payroll costs of the above were:

	2014	2013
	£	£
Wages and salaries	4,867,678	5,506,923
Social security costs	687,095	794,860
Other pension costs	66,025	56,659
	<u>£5,620,798</u>	<u>£6,358,442</u>

BRIDGESTREET ACCOMMODATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

5. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2014	2013
	£	£
Remuneration receivable	83,813	73,209
Value of company pension contributions to money purchase schemes	3,231	6,623
	<u>£87,044</u>	<u>£79,832</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2014	2013
	No	No
Money purchase schemes	<u>1</u>	<u>1</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2014	2013
	£	£
Other similar charges payable	<u>23</u>	<u>2,402</u>

7. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2014	2013
	£	£
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 21.49% (2013 - 23%)	370,558	418,105
(Over)/under provision in prior year	(3,497)	622
Total current tax	<u>£367,061</u>	<u>£418,727</u>
Deferred tax:		
Origination and reversal of timing differences (note 14)		
Capital allowances (2,000)	891	
Effect of changed tax rate on opening balance	507	
Total deferred tax (note 14)	<u>(2,000)</u>	<u>1,398</u>
Tax on profit on ordinary activities	<u>365,061</u>	<u>420,125</u>

BRIDGESTREET ACCOMMODATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

7. TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 21.49% (2013 - 23%).

	2014 £	2013 £
Profit on ordinary activities before taxation	<u>1,312,135</u>	<u>1,428,019</u>
Profit on ordinary activities by rate of tax	282,019	328,445
Expenses not deductible for tax purposes	72,171	66,971
Capital allowances for period in excess of depreciation	(6,053)	(2,238)
Unrelieved tax losses	21,632	20,492
Tax chargeable at lower rates	-	4,435
Adjustments to tax charge in respect of previous periods	(3,497)	622
Fixed asset differences	5,947	-
Income not taxable for tax purposes	(5,158)	-
Total current tax (note 7(a))	<u>£367,061</u>	<u>£418,727</u>

8. LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The loss dealt with in the financial statements of the parent company was £(15,840) (2013 - £2,243,184).

9. DIVIDENDS

Equity dividends	2014 £	2013 £
Paid during the year		
Equity dividends on ordinary shares	<u>-</u>	<u>1,660,291</u>

BRIDGESTREET ACCOMMODATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

10. INTANGIBLE ASSETS

Group	Goodwill £
COST	
At 1 January 2014 and 31 December 2014	<u>4,399,955</u>
AMORTISATION	
At 1 January 2014	3,446,634
Charge for the year	<u>219,998</u>
At 31 December 2014	<u><u>3,666,632</u></u>
NET BOOK VALUE	
At 31 December 2014	<u>733,323</u>
At 31 December 2013	<u><u>953,321</u></u>

The directors consider each acquisition separately for the purpose of determining the amortisation period of any goodwill that arises. At 31 December 2014, goodwill arising on the acquisition of BridgeStreet Accommodations London Limited is being amortised over 20 years. The directors consider that they will continue to derive benefit from BridgeStreet Accommodations London Limited over at least that period. The directors have reviewed the carrying value of goodwill in SAS BridgeStreet Accommodations Paris, this asset was fully impaired at the start and end of this accounting period.

BRIDGESTREET ACCOMMODATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

11. TANGIBLE ASSETS

Group	Leasehold Improvements £	Fixtures & Fittings £	Motor Vehicles £	Equipment £	Total £
COST OR VALUATION					
At 1 January 2014	276,704	1,649,650	12,469	433,482	2,372,305
Additions	-	12,447	-	70,658	83,105
Exchange adjustments	-	(6,399)	(779)	(1,959)	(9,137)
At 31 December 2014	<u>276,704</u>	<u>1,655,698</u>	<u>11,690</u>	<u>502,181</u>	<u>2,446,273</u>
DEPRECIATION					
At 1 January 2014	151,176	1,480,506	793	391,411	2,023,886
Charge for the year	27,670	88,846	2,408	29,590	148,514
Exchange adjustments	-	(2,874)	(120)	(1,740)	(4,734)
At 31 December 2014	<u>178,846</u>	<u>1,566,478</u>	<u>3,081</u>	<u>419,261</u>	<u>2,167,666</u>
NET BOOK VALUE					
At 31 December 2014	<u>97,858</u>	<u>89,220</u>	<u>8,609</u>	<u>82,920</u>	<u>278,607</u>
At 31 December 2013	<u>125,528</u>	<u>169,144</u>	<u>11,676</u>	<u>42,071</u>	<u>348,419</u>

12. INVESTMENTS

Group	Other Investments £
COST OR VALUATION	
At 1 January 2014	679
Additions	7
Revaluations	(42)
At 31 December 2014	<u>644</u>
NET BOOK VALUE	
At 31 December 2014	<u>644</u>
At 31 December 2013	<u>679</u>

BRIDGESTREET ACCOMMODATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014.

12. INVESTMENTS *(continued)*

Company	Group companies £
COST OR VALUATION	
At 1 January 2014 and 31 December 2014	<u>4,409,900</u>
NET BOOK VALUE	
At 31 December 2014 and 31 December 2013	<u>4,409,900</u>

	Country of incorporation	Share capital & reserves	Profit/(loss) for the year	Proportion of ordinary shares held
Subsidiary undertakings				
BridgeStreet Accommodations London Ltd	England & Wales	2,720,350	919,947	100%
BridgeStreet Wardrobe Place Ltd	England & Wales	978,693	345,513	100%
SAS BridgeStreet Accommodations Paris	France	€68,008	(€105,196)	100%

All the above subsidiary undertakings are leading providers of serviced accommodation aimed at the corporate client.

The interest in BridgeStreet Wardrobe Place Limited is held through a subsidiary company.

The directors have reviewed the carrying value of the cost of the investment in SAS BridgeStreet Accommodations Paris and they consider that the investment remains fully impaired at the end of the year.

BridgeStreet Wardrobe Place Ltd has taken exemption under S479A of the Companies Act 2006 from producing audited accounts.

13. DEBTORS

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	3,649,460	2,722,596	-	-
Amounts owed by group undertakings	-	17,970	237,774	253,614
Corporation tax repayable	-	5,546	-	-
Other debtors	321,533	308,165	-	-
Deferred taxation (Note 14)	11,415	9,415	-	-
Prepayments and accrued income	1,454,684	910,156	-	-
	<u>£5,437,092</u>	<u>£3,973,848</u>	<u>£237,774</u>	<u>£253,614</u>

BRIDGESTREET ACCOMMODATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

14. DEFERRED TAXATION

The movement in the deferred taxation asset during the year was:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Asset brought forward	9,415	10,813	-	-
Increase/(Decrease) in asset	2,000	(1,398)	-	-
Asset carried forward	<u>£11,415</u>	<u>£9,415</u>	-	-

The group's asset for deferred taxation consists of the tax effect of timing differences in respect of:

Group	2014		2013	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of depreciation over taxation allowances	<u>11,415</u>	-	<u>9,415</u>	-

15. CREDITORS: Amounts falling due within one year

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Trade creditors	1,489,306	1,269,108	-	-
Amounts owed to group undertakings	380,628	-	1,797,580	1,797,580
Hire purchase agreements	-	3,484	-	-
Other creditors including taxation and social security:				
Corporation tax	4,117	-	-	-
PAYE and social security	234,525	269,729	-	-
VAT	260,662	202,781	-	-
Other creditors	155,439	65,542	-	-
Accruals and deferred income	2,113,912	1,905,203	-	-
	<u>£4,638,589</u>	<u>£3,715,847</u>	<u>£1,797,580</u>	<u>£1,797,580</u>

The aggregate amount of secured liabilities is £nil (2013: £3,484).

16. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Amounts payable within 1 year	-	3,484	-	-
	<u>-</u>	<u>3,484</u>	<u>-</u>	<u>-</u>

Obligations under hire purchase agreements are secured on the assets to which they relate.

BRIDGESTREET ACCOMMODATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

17. PENSIONS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £66,025 (2013: £56,659) for the year.

18. OTHER PROVISIONS

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Dilapidation costs:	<u>462,304</u>	<u>555,851</u>	<u>-</u>	<u>-</u>

Dilapidation costs

Provision for dilapidations is based upon the company's estimated cost of restoring the leased properties to their pre rental condition upon expiry of the lease, in accordance with the lease terms.

19. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2014 the group had annual commitments under non-cancellable operating leases as set out below.

Group	2014		2013	
	Land and buildings	Other Items	Land and buildings	Other Items
	£	£	£	£
Operating leases which expire:				
Within 1 year	4,953,087	-	5,583,895	-
Within 2 to 5 years	6,544,318	7,413	7,846,874	11,718
After more than 5 years	1,897,589	-	2,161,674	-
	<u>£13,394,994</u>	<u>£7,413</u>	<u>£15,592,443</u>	<u>£11,718</u>

BRIDGESTREET ACCOMMODATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

20. RELATED PARTY TRANSACTIONS

Balances due from other group companies at the year end:

BridgeStreet Corporate Housing Worldwide Inc.	£nil	(2013: £17,894)
BridgeStreet Corporate Housing Limited	£nil	(2013: £75)

Balances due to other group companies at the year end:

BridgeStreet Corporate Housing Worldwide Inc.	£380,628	(2013: £nil)
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During the year the group paid £1,750,441 (2013: £1,517,427) to BridgeStreet Corporate Housing Worldwide Inc. for management charges.

21. SHARE CAPITAL

Allotted, called up and fully paid:

	2014		2013	
	No	£	No	£
Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>

22. RESERVES

Group	Share premium account	Other reserves	Profit and loss account
	£	£	£
Balance brought forward	1,205,000	48,294	(381,701)
Profit for the year	-	-	947,074
Exchange adjustments	-	(3,017)	3,553
Balance carried forward	<u>£1,205,000</u>	<u>£45,277</u>	<u>£568,926</u>
Company		Share premium account	Profit and loss account
		£	£
Balance brought forward		1,205,000	660,934
Loss for the year		-	(15,840)
Balance carried forward		<u>£1,205,000</u>	<u>£645,094</u>

23. ULTIMATE PARENT COMPANY

At 31 December 2014, the company's ultimate parent company and controlling party was Versa Capital Management LLC, a company incorporated in the United States of America. At 31 December 2014, the company's immediate parent company was Domus BWV UK Holdings Limited, a company incorporated in the United Kingdom.